

# NATIONAL HEALTH SERVICE CORPS PRIVATE PRACTICE ASSIGNMENT AGREEMENT

Section 331(a)(1) of the Public Health Service ("PHS") Act [42 U.S.C. 254d(a)(1)(C)] as amended by Public Law 97-35, effective August 13, 1981, established a new category of National Health Service Corps ("NHSC") members, who are not employees of the United States. Under the Private Practice Assignment ("PPA"), an obligated individual ("the Individual") is assigned to an NHSC site in the same manner as a Federally employed NHSC member; however, a Private Practice Assignee is employed by his/her approved service site ("the Entity"), and must receive an income from the Entity at least equal to the income of a comparable civilian employee of the United States.

The signatures of the Individual and the Secretary of the Health and Human Services ("the Secretary") hereby amend any scholarship contract(s) previously signed by the individual under: **(1) the Public Health and NHSC (PH/NHSC) Scholarship Training Program**, Section 225 of the PHS Act [42 U.S.C. 234], as in effect prior to repeal on October 1, 1977; or **(2) the NHSC Scholarship Program**, Sections 751-756 of the PHS Act [42 U.S.C. 294t-y], as in effect prior to amendment and redesignation as Sections 338A-F of the PHS Act [42 U.S.C. 254l-q], effective August 13, 1981 ("Section 338A"), to allow the Individual to fulfill his/her service obligation under the PPA. The Secretary may also assign participants in the **NHSC Loan Repayment Program**, Section 338B of the PHS Act [42 U.S.C. 254l-1] to PPA positions.

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Secretary of Health and Human Services  
or Authorized Representative

\_\_\_\_\_  
Individual's Name (Print or Type)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Individual's Signature

\_\_\_\_\_  
Date

NOTARIZED:

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
Notary Public.

Commission Expires: \_\_\_\_\_

## The terms and conditions of the PPA are as follows:

1. The Individual identified above is assigned as a member of the NHSC who is not an employee of the United States to \_\_\_\_\_, ("the Entity") serving health professional shortage area (name and #) \_\_\_\_\_ in the discipline/specialty of \_\_\_\_\_ for the period from \_\_\_\_\_ to \_\_\_\_\_.
2. During the period of this assignment, the Individual agrees to:
  - a. be employed by the Entity in the full-time clinical practice of his/her profession, and be subject to the personnel system of such Entity;

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- b. be paid an income by the Entity which is at least equal to the salary and benefits which he/she would receive if he/she were a civilian employee of the United States (Section 331(d)(3) of the PHS Act);
- c. be licensed to practice his/her profession in the State to which assigned;
- d. promptly report to the NHSC any change in his/her status as a full-time clinician at the Entity; and
- e. comply with policies set forth in the Private Practice Assignment Information Bulletin.

3.

For all health professionals, "full-time clinical practice" is defined as a minimum of 40 hours per week of patient care, with no more than 8 of those hours per week devoted to practice-related administrative activities. The practice will include hospital treatment coverage appropriate to meet the needs of patients of the approved practice site and to ensure continuity of care.

For all health professionals except obstetrician/gynecologists (OB/GYN) and certified nurse midwives (CNM), at least 32 of the minimum 40 hours per week must be spent providing clinical services in the ambulatory setting at the approved practice site, during normally scheduled office hours, with the remaining hours spent providing inpatient care to patients of the approved site, and/or in practice-related administrative activities.

For an OB/GYN or CNM practitioner, the majority of the 40 hours per week (not less than 21 hours per week) is expected to be spent providing ambulatory care services at the approved practice site during normally scheduled office hours, with the remaining hours spent providing inpatient care to patients of the approved site, and/or in practice-related administrative activities, with administrative activities not to exceed 8 hours per week.

The minimum 40 hours per week may be compressed into no less than 4 days per week, with no more than 12 hours of work to be performed in any 24-hour period. Time spent "on-call" will not count toward the 40-hour week.

No more than 7 weeks (35 work days) per year can be spent away from the practice for holidays, vacation, illness, continuing professional education, maternity/paternity leave, or any other reason. Although leave policies are the individual responsibility of each employer, the NHSC will not count any leave time beyond 7 weeks (35 work days) per year toward fulfillment of the service obligation.

- 4. Individuals providing health services as members of the NHSC who are not employees of the United States are not protected against personal liability for alleged malpractice under the Federal Tort Claims Act (FTCA), [28 U.S.C. 1346(b); 2671-2680], unless the Entity has been deemed to qualify for FTCA coverage under the Federally Supported Health Centers Assistance Act of 1992.
- 5. If this assignment is terminated by the Entity or the NHSC prior to the expiration of the period specified in this Agreement, the Individual will be reassigned to another entity for the remaining period of his/her service obligation, unless the termination is due to the Individual's failure to fulfill the employment requirements of the Entity or the requirements of this Agreement. If the Individual (a) terminates his/her employment at the Entity; (b) fails to fulfill the employment

requirements of the Entity; (c) fails to fulfill the requirements of this Agreement; or (d) refuses reassignment, he/she will be subject to the applicable financial repayment provision of Paragraph 7 below.

6. Except as provided in Paragraph 5, upon failure to begin or complete the obligation in accordance with the terms of this PPA Agreement, the Individual agrees to repay the Federal Government an amount determined by the applicable default provision described below:

#### NHSC Scholarship Program

If the Individual has received a scholarship solely under the NHSC Scholarship Program (Section 338A of the PHS Act): an amount determined under the formula set forth in Section 338E(b)(1) of the PHS Act, as amended. The formula provides for payment of damages equaling three times the amount of the NHSC scholarship award received, plus interest at the maximum legal prevailing rate. If, however, the health professional performs a period of approved full-time clinical practice before a default occurs, the damages owed will be reduced proportionately. The damages owed must be paid within 1 year of the date of default.

#### PH/NHSC Scholarship Training Program

If the Individual has received a scholarship solely under the PH/NHSC Scholarship Training Program (Section 225 of the PHS Act): an amount determined under Section 225(f)(1) of the PHS Act, as in effect on September 30, 1977. This section provides for payment of the total amount of the PHS scholarship award received, plus interest at the maximum prevailing rate as prescribed by the District of Columbia Code on the day of breach. The amount owed must be paid within 3 years of default.

#### Both Scholarship Programs

If the Individual has received scholarships under both the PH/NHSC Scholarship Training Program (Section 225 of the PHS Act), and the NHSC Scholarship Program (Section 338A of the PHS Act): an amount determined under Section 225(f)(1) of the PHS Act for that portion of his/her obligation which was incurred under the PH/NHSC Scholarship Training Program, and an amount determined under Section 338E (b)(1) of the Act for that portion of his/her obligation which was incurred under the NHSC Scholarship Program. For purposes of calculating the amounts owed, the obligations will be considered to have been served in the order in which the scholarships were received.

#### NHSC Loan Repayment Program

If the Individual is a participant in the NHSC Loan Repayment Program under Section 338B of the PHS Act: an amount specified in Section 338E(c) of the PHS Act. This section provides for payment according to the following conditions:

1. Breach of a 2-Year Contract

The total amount received, plus unserved obligation penalty.<sup>1</sup>

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<sup>1</sup>"Unserved obligation penalty" equals total months of obligation times \$1,000 if the Individual serves less than 1 year, or the number of unserved months times \$1,000 if the Individual serves more than 1 year.

2. Contract Greater Than 2 Years and Breach Occurs Before 2 Years of Service Completed

The total amount received, plus unserved obligation penalty.

3. Contract Greater Than 2 Years and Breach Occurs After 2 Years of Service Completed

The total amount received for any period of obligated service not served, plus \$10,000 if the Individual give the Secretary less than 1 year notice of intended breach.

7. If a judgment has been entered against the Individual for breach of a NHSC Scholarship or Loan Repayment Contract, and the Individual subsequently breaches this PPA Agreement, the Individual's liability will be determined according to the terms of the judgment.
8. If within 1 year of completion of service under this assignment, the Individual joins the Commissioned Corps of the U.S. Public Health Service, he/she may receive retirement credit for such service.

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***The Secretary or his/her authorized representative must sign this Agreement before it becomes effective.***

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